



**UNITED STATES HOUSE OF REPRESENTATIVES  
OFFICE OF THE MAJORITY WHIP  
THE HONORABLE JAMES E. CLYBURN (SC-06)**

# **THE WHIP PACK**

**WEEK OF SEPTEMBER 17, 2007**

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## **Bill Text and Background for the Week of September 17, 2007**

- H.R. 1852 – Expanding American Homeownership Act of 2007
- H.R. 2761 – Terrorism Risk Insurance Revision and Extension Act of 2007
- H.R. 811 – Voter Confidence and Increased Accessibility Act of 2007
- H.R. 2881 – FAA Reauthorization Act of 2007

**H.R. 1852 – EXPANDING AMERICAN HOMEOWNERSHIP ACT OF 2007** *(Rep. Waters – Financial Services) (Subject to a Rule)*

**Bill Text:** [HTML Version](#), [PDF Version](#)  
[Bill Summary and Status](#)

**Rules Committee Meeting:** Monday, September 17, 2007 at 5:00 p.m. in H-313 the Capitol, [Amendment Process Announcement](#), [Summary and Text Amendments Submitted](#)

**Committee:** [Committee on Financial Services](#)

**Committee Staff Contact:** 5-4247

**LEGISLATION AT A GLANCE:**

The Expanding American Homeownership Act of 2007 will revitalize the Federal Housing Administration (FHA), a federally insured loan program that for over 60 years has been a reliable source of affordable fixed rate mortgage loans, especially for first-time homebuyers. H.R. 1852 will enable FHA to serve more subprime borrowers at affordable rates and terms, recapture borrowers that have turned to predatory loans in recent years, and offer refinancing loan opportunities to borrowers struggling to meet their mortgage payments in the midst of the current turbulent mortgage markets.

Specifically, the bill includes the following important provisions:

- **Lower Down Payments.** Authorizes zero and lower down payment loans for borrowers that can afford mortgage payments, but lack the cash for a required down payment.
- **Higher Loan Limits.** Increases loan limits to make FHA relevant in high cost markets where FHA is currently barred from making loans up to the local median home price.
- **Housing Counseling.** Authorizes more than double the current funding level for housing counseling, to help subprime homebuyers and borrowers late on mortgage loan payments.
- **Subprime borrowers.** Directs FHA to provide mortgage loans to higher risk (but qualified) borrowers, without authorizing unnecessary fee hikes on such borrowers.
- **Reverse Mortgages.** Enhances the FHA reverse mortgage loan program to help seniors pay for health and other expenses, by removing the loan cap to avoid program shutdowns, raising loan limits, and by reducing the maximum fee lenders can charge for these loans.
- **Multifamily Loans.** Raises FHA multifamily loan limits, so these loans can fully fund construction costs in high cost areas, and enhances sale of foreclosed FHA rental housing loans to localities, so that affordable housing can be maintained in local communities.
- **Affordable Housing Fund.** Authorizes up to \$300 million a year from the bill's excess profits for affordable housing, instead of returning such funds to the General Treasury.

**House Report 110–217:**  
[HTML Version](#), [PDF Version](#)

**Full Committee Mark-up:**  
[ILC and FHA Full Committee Markup](#), May 2 and May 3, 2007  
[National Journal Report](#), May 3, 2007  
[National Journal Report](#), May 2, 2007

**Summary of Committee Votes:**

- Rep. Hodes Escrow Accounts Amendment – Allows for the imposition of a penalty to any servicer of a mortgage who fails to make payments from an escrow account that had been funded by the mortgagor for the payment of taxes, insurance premiums or other charges with respect to property. The amendment prohibits the secretary of Housing and Urban Development from submitting information to a consumer-reporting agency regarding a failure by the mortgage servicer that is adverse to the credit rating or interest of the mortgagor. **Adopted by Voice Vote.**
- Rep. Donnelly Manufactured Housing Amendment – Adds manufactured housing units in those housing units eligible for mortgage insurance. **Adopted by Voice Vote.**
- Rep. Donnelly Real Estate Amendment – Specifies that the Federal Housing Administration (FHA) could insure mortgages for all natural resources and structures permanently affixed to land, including residential buildings and stationary manufactured housing. The amendment states that such land may not be required to be treated as real estate for the purposes of state taxation. **Adopted by Voice Vote.**
- Rep. McCarthy Housing Counseling Amendment – Requires a written agreement be signed by the mortgagor under which the mortgagee shall provide notice to a housing counseling entity for the issuance of higher-risk mortgages. **Adopted by Voice Vote.**
- Chairman Frank Mortgage Insurance Program Amendment – Allows mortgage brokers or lenders to qualify for participation in the FHA's mortgage insurance program by posting a \$75,000 surety bond in lieu of an audit and \$50,000 base net-worth requirement. As amended, the amendment requires mortgage brokers to safeguard and account for any money handled for the borrower, follow reasonable instructions from the borrower and act with reasonable skill and diligence. It also specifies that both a "mortgage broker" and a "lender" can qualify for participation in the FHA's mortgage insurance program. **Adopted, as Amended, by Voice Vote.**
  - Rep. Green Mortgage Broker Requirements Amendment to the Frank Amendment – Requires mortgage brokers to safeguard and account for any money handled for the borrower, follow reasonable instructions from the borrower and act with reasonable skill and diligence. **Adopted by Voice Vote.**
  - Rep. Waters Mortgage Broker Participation Amendment to the Frank Amendment – Adds a "mortgage broker" to the already-specified "lender" able to qualify for participation in the FHA's mortgage insurance program. **Adopted by Voice Vote.**
- Rep. Maloney Child Care Facilities Amendment – Increases the amount that may be insured to a childcare facility to 25 percent if an increase is necessary because of an increased cost due to space needed in the residence to operate a childcare facility. **Adopted by Voice Vote.**

- Rep. Moore Mortgage Insurance Premium Increases Amendment – Specifies premiums charged for mortgage insurance may not be increased above the premium amounts in effect on Oct. 1, 2006, unless the HUD secretary determines that insurance of additional mortgages would require the appropriation of new budget authority to cover the costs. **Adopted by Voice Vote.**
- Chairman Frank Grandfathered Projects Amendment – Grandfathers any transaction regarding a multi-family real property for which the HUD secretary has received written expression of interest in purchasing the property from a city government and the city's housing commission, has acquired the title to the property at a foreclosure sale, and the city government and housing commission have resolved previous disagreements about the property. **Adopted by Voice Vote.**
- Rep. Biggert Notification Requirement Amendment – Would have required prospective mortgage providers to notify prospective mortgage recipients before accepting an application for a loan involved in the mortgage of the availability of counseling. **Rejected by Voice Vote.**
- Rep. Marshall Limit on Origination Fees Amendment – Requires the HUD secretary to establish limits on the origination fee that may be charged to a mortgagor under a home equity conversion mortgage. The limits equals 2 percent of the original principal limit of the mortgage, be subject to a minimum allowable amount, provide that the origination fee may be fully financed by the mortgage and include any fees paid to correspondent mortgagees or mortgage brokers. **Adopted by Voice Vote.**
- Rep. Capito Identification Amendment – Prohibits the secretary of the FHA from insuring a mortgage unless the mortgage recipient submits personal identification in the form of a Social Security card and a photo identification card issued by the federal or a state government, a driver's license issued by a state, a passport or a photo identification card issued by the secretary of Homeland Security. **Adopted by Voice Vote.**
- Rep. Green Pilot Program Amendment – Establishes a pilot program to create an automated process for providing alternative credit rating information for mortgagors and prospective mortgagors who have insufficient credit histories to determine their credit worthiness. The amendment allows for alternative credit rating information to include rent, utilities or housing payment histories. The pilot program could be carried out on a limited basis or could be limited to first-time homebuyers or metropolitan statistical areas significantly impacted by subprime lending. The pilot program will sunset after five years; after two years the Government Accountability Office will be required to submit a report to Congress on the program. **Adopted by Voice Vote.**
- Rep. McHenry Required Mortgage Disclosures Amendment – Would have prohibited a mortgage from being insured unless the mortgage provider has provided a one-page written disclosure to the mortgage recipient no later than three business days before execution of the mortgage and the recipient has signed the disclosure. **Withdrawn.**
- Rep. Waters Upfront Penalties Amendment – Establishes single premium payments for high-risk borrowers up to 3 percent of the amount of the original insured principal obligation of the mortgage. **Adopted by Voice Vote.**
- Rep. Miller Fund Solvency Amendment – Halts FHA contributions to an affordable housing fund for any fiscal year when the safety and soundness of other mortgage insurance funds under the FHA are not ensured. **Adopted by Voice Vote.**

- Rep. Neugebauer Mutual Mortgage Insurance Fund Amendment – Would have eliminated the use of FHA funds for an affordable housing fund and instead authorize funds for the Mutual Mortgage Insurance Fund to ensure the soundness of mortgage insurance programs and work to improve technology, procedures, processes, program performance and salaries in connection with the mortgage insurance programs. **Rejected by Voice Vote.** *(The panel agreed to divide the Neugebauer into two parts, with separate votes on each part).*
- Rep. Neugebauer Study and Report Amendment – Authorizes funds for the HUD secretary to conduct a study on how best to update and upgrade procedures, processes and technologies for the mortgage insurance programs so that the policies conform to those used by secondary market purchasers of residential mortgage loans. The HUD secretary will be required to submit a report to Congress no later than 12 months after the bill's enactment. **Adopted by Voice Vote.**
- Rep. Garrett Down Payment Requirements Amendment – Would have specified that if over any 12 month time frame the default rate of FHA insured mortgages increases by 10 percent, the down payment requirements in the bill would be changed back to current requirements until the HUD secretary provides a detailed report to Congress with the reasons of the drastic increase in foreclosures and issues recommendations on what legislative changes should be made to fix the problems. **Rejected 29–34: R 29–0; D 0–34.**
- Chairman Frank Use of FHA Funds Amendment – Authorizes the amount of the net increase for each fiscal year in the negative credit subsidy for the mortgage insurance programs to be appropriated. The amendment specifies that the amount appropriated first be designated to ensure the solvency of the single family housing mortgage program and then appropriated to the housing counseling program for fiscal 2008 through fiscal 2012 for an increase from the amount appropriated for the preceding fiscal year to \$100,000. Remaining funds will then be allotted to an affordable housing fund. **Adopted 37–15: R 7–15; D 30–0.**
- Rep. Biggert Premium Reductions Study Amendment – Would have directed the Housing and Urban Development secretary to conduct a study of the single family housing mortgage insurance programs to determine the amounts appropriate to be held in reserve for such programs and to determine the appropriate insurance premiums to charge for each program. **Rejected 22–38: R 22–3; D 0–35.**
- Rep. Bachus Limiting Housing Fund Amendment – Would have prohibited funds from being designated for an affordable housing fund in any fiscal year in which Social Security is operating under a surplus and the federal government is operating under a deficit. **Rejected 26–36: R 26–0; D 0–36.**
- Rep. Price PAYGO Rules Amendment – Would have required any costs resulting from the bill to have corresponding spending offsets. **Rejected 27–37: R 27–1; D 0–36.**
- Rep. Price Senior Citizen Premiums Amendment – Would have authorized the HUD secretary to distribute any negative credit subsidy funds among mortgagors over the age of 62 on a pro rata basis, based upon the amount of mortgage insurance premiums paid during each fiscal year under each mortgage. **Rejected 28–36: R 28–0; D 0–36.**

- [Rep. Garrett, Suspension to Affordable Housing Fund Amendment](#) – Would have suspended payments made into the affordable housing fund if the Government Accountability Office designates HUD's Mutual Mortgage Insurance Fund or the FHA's program for housing insurance as a high-risk program. **Rejected 28–36: R 28–0; D 0–36.**
- [Rep. Biggert Substitute Amendment](#) – Amendment in the Nature of a Substitute. **Rejected 28–36: R 28–0; D 0–36.**
- [Vote to Report](#): Ordered Bill Reported Favorably to Full House, as Amended, by a **Recorded Vote of 45–19: R 9–19; D 36–0.**

**CBO Report:**

[Cost Estimate](#): Ordered Reported by the Committee on Financial Services

**CRS Reports:**

[RL34158](#): Creating GSE Affordable Housing Funds: Proposed Legislation in the 110th Congress

[RL33879](#): Housing Issues in the 110th Congress

[RS22662](#): H.R. 1852 and Revisiting the FHA Premium Pricing Structure: Proposed Legislation in the 110th Congress

**GAO Reports:**

[GAO–07–1033T](#): Mortgage Financing: Seller–Funded Down–Payment Assistance Changes the Structure of the Purchase Transaction and Negatively Affects Loan Performance

**Subcommittee on Housing and Community Opportunity Hearing:**

[The Expanding American Homeownership Act of 2007: H.R. 1852 and Related FHA Modernization Issues](#), April 19, 2007

**Printed Hearing:** [110–23](#)

**Witness Testimony:**

**Panel One:**

- [The Honorable Brian D. Montgomery](#), Assistant Secretary for Housing – Federal Housing Commissioner, U.S. Department of Housing and Urban Development

**Panel Two:**

- [Ms. Iona Harrison](#), GRI, National Association of Realtors
- [Mr. Lautaro “Lot” Diaz](#), Vice President, Community Development, National Council of La Raza
- [Mr. John M. Robbins](#), CMB, Chairman, Mortgage Bankers Association
- [Mr. Ed Smith, Jr.](#), Chairman, CAMB Government Affairs Committee, Chief Executive Officer, Plaza Financial Group, California Association of Mortgage Brokers
- [Mr. William P. Killmer](#), National Association of Home Builders, Group Executive Vice President for Advocacy

**Organization Statements:**

(TBA)

**Administration Position:**

(TBA)

**Fact Sheets & Talking Points:**

FHA Bill Response to Republicans, Talking Points, Financial Services Committee  
FHA-Biggert Substitute, Talking Points, Financial Services Committee

**Press Releases, News Articles & Related Information:**

[House Financial Services Committee Passes Comprehensive FHA Reform](#), May 3, 2007  
[House Democrats Introduce Comprehensive FHA Reform](#), March 29, 2007

**Other Resources:**

[Cosponsors of H.R. 1852](#)



## **H.R. 2761 – TERRORISM RISK INSURANCE REVISION AND EXTENSION ACT OF 2007**

*(Rep. Capuano –Financial Services) (Subject to a Rule)*

**Bill Text:** [HTML Version](#), [PDF Version](#)  
[Bill Summary and Status](#)

**Rules Committee Meeting:** Monday, September 17, 2007 at 5:00 p.m. in H-313 the Capitol, [Amendment Process Announcement](#), [Summary and Text Amendments Submitted](#)

**Committee:** [Committee on Financial Services](#)

**Committee Staff Contact:** 5-4247

### **LEGISLATION AT A GLANCE:**

H.R. 2761, the Terrorism Risk Insurance Revision and Extension Act of 2007 will:

- Extend TRIA for 15 years
- Incorporate domestic terrorism acts, and apply TRIA's original rate and form interim implementation standards in the first year of TRIREA in response to the addition of domestic terrorism to the underlying program
- Require concurrence by the Secretary of Homeland Security, in addition to the Secretary of State and the Attorney General, for the Secretary of Treasury to certify an event as an act of terrorism
- Set trigger at \$50 million
  - Insert a nuclear, biological, chemical, or radiological (NBCR) component that:
    - Requires insurers to make available NBCR coverage on same terms and conditions, but postpones implementation of NBCR mandatory offer requirement until the renewal or purchase of a TRIA-covered policy after January 1, 2009
    - Creates a 2-year transition period for NBCR forms and a 3-year transition period for NBCR rates to exempt them from prior approval and waiting period requirements to further facilitate incorporation of NBCR into TRIA
    - Allows Treasury, in consultation with State regulators, to exempt insurers with less than \$50 million in TRIA premiums from complying with the requirement to make NBCR coverage available if such insurers demonstrate that they would become insolvent in the event of an NBCR terrorist attack
    - Has Treasury determining whether to treat a covered terrorism act as conventional or NBCR at time of certification
    - Establishes a 3.5 percent insurer deductible for NBCR events that increases by 0.5 percentage point each year, and applies current 15 percent co-payment above the deductible up to the program cap, with a step-down mechanism that significantly decreases the co-payment for larger events

- Clarifies that pollution exclusions will not apply to covered NBCR terrorism events
- Provide additional legal certainty to insurers by:
  - Clarifying annual cap language to ensure that the program cap takes into consideration workers' comp and other State mandatory coverage laws
  - Establishing new statutory disclosure requirement regarding the cap for insurance contracts covering TRIA losses
  - Providing notice to industry at \$80 billion; this would allow a clear transition period for industry to make preparation as the cap is neared to cease insurer payments and to unwind and halt the claims process once the cap is pierced
  - Clarifying that the limits of an insurer's financial exposures are confined to its applicable deductible and co-payments, and to provide that claims concerning these limits would be consolidated in a federal court
  - Reimbursing insurers for: (1) payments exceeding the cap that are made before the Treasury notice that the cap has been pierced; and (2) payments exceeding the cap ordered by a court, provided that insurers make a good-faith defense effort. Treasury will have the right to intervene in such court proceedings.
  - Modifying TRIA's purposes to include language that the law "provides finite liability limits for terrorism insurance losses for insurers and the government"
- Improve implementation around the \$100 billion cap by:
  - Requiring Treasury to notify Congress and the industry
    - Within 10 days after the event if it is likely to cause the piercing of the cap
    - When losses reach \$80 billion
    - Again when losses reach \$100 billion
  - Mandating that Treasury finalize regulations regarding *pro rata* allocations within 120 days of enactment and providing Treasury with emergency rulemaking powers
- Add group life to TRIA's covered lines by:
  - Defining group life to include term, accidental death, universal, and variable universal, but excluding COLI/BOLI coverage, group life reinsurance and retrocessional reinsurance
  - Creating a separate \$5 billion recoupment pool
  - Capping the level of Federal exposure at \$1 million per certificate holder under any group life insurance policy
  - Applying "amount at risk" as the metric for determining insurer deductibles and recoupment amounts, instead of prior year premiums
    - "Amount at risk" with respect to group life is defined as face amount less statutory policy reserves

- “Amount at risk” is used instead of premium for group life because group life premium takes into account different risks that would not be appropriate for or correlated with terrorism risk, including age and occupation
- Require Treasury to submit a report to and testify before Congress on market conditions every 2 years
- Create a 21-member blue-ribbon commission to propose long-term solutions to covering terrorism risk and report to Congress 5 years (interim) and 8 years (final) after enactment of TRIREA
- Conform definition of “control” to language in Bank Holding Company Act
- Add multi-peril farm owners’ insurance to lines of insurance covered by TRIA
- Update findings and purposes to reflect group life and NBCR changes
- Prohibit life insurance companies from denying or reducing coverage based on future foreign travel except under specified conditions
- Add a reset mechanism for significant terrorist attacks (over \$1 billion) to lower the deductibles and triggers to rebuild market capacity and then gradually increase private sector obligations over time
- Create a voluntary terrorism buy-down fund at Treasury
- To modestly build capacity, provide that the \$100 billion program cap is net of insurance industry obligation
  - The cap on the federal share will be \$100 billion, and the insurance industry obligation (deductible plus co-payment) will be in addition to that \$100 billion
  - This change not intended to increase the co-payment obligation of insurers

**House Report 110–318:**

[HTML Version](#), [PDF Version](#)

**Full Committee Mark-up:**

[Full Committee Markup H.R. 3002, H.R. 180, H.R. 3121, H.R. 2895, H.R. 2761, July 26, July 31, and August 1, 2007](#)

[National Journal Report](#)

**Summary of Committee Votes:**

- Chairman Frank Manager's Amendment to the Kanjorski Substitute – Makes several technical and substantive changes, including: A \$50 million program trigger that would initiate compensation in the event of a terrorist attack. Establishment of a "terrorism buy-down fund" that would allow insurers to purchase deductible, co-share and trigger buy-down coverage. A two-year phase-in of insurance coverage for nuclear, biological, chemical and radiological terrorist attacks. **Adopted by Voice Vote.**

- Rep. Manzullo Small Insurer Exemption Amendment to the Kanjorski Substitute – Exempts small insurers, for two years, from providing coverage for nuclear, biological, chemical and radiological terrorist attack insurance. The exemptions would be voluntary and apply to insurers whose direct earned premium is less than \$50 million. **Adopted by Voice Vote.**
- Rep. Clay Farmers' Insurance Amendment Kanjorski Substitute – Establishes multiple-peril insurance for farmers. **Adopted by Voice Vote.**
- Rep. Marchant Insurer Coordination Amendment to the Kanjorski Substitute – Clarifies that insurers are not prohibited from entering into arrangements with other insurers to make portions of policies available. **Adopted by Voice Vote.**
- Rep. Brown–Waite Program Trigger Formula Amendment to the Kanjorski Substitute – Will index the program trigger and the cap by basing it annually on inflation. The Kanjorski Substitute would maintain the program trigger at \$50 million annually and the cap at \$27.5 billion annually. **Adopted by Voice Vote.**
- Rep. Bachmann Recouping Expenditures Amendment to the Kanjorski Substitute – Allows the secretary of the Treasury to suspend recoupment of expenditures, based on market conditions, if those expenditures exceed the program's \$27.5 billion threshold. **Adopted by Voice Vote.**
- Rep. Garrett Rising Deductibles Amendment to the Kanjorski Substitute – Would have increased the initial 5 percent deductible by 0.5 percent each subsequent year. **Rejected by Voice Vote.**
- Rep. Putnam Program Length Amendment to the Kanjorski Substitute – Would have extended the program for eight years, instead of 10, with an option for Congress to extend the program for two years after 2015. **Rejected 26–39: R 26–4; D 0–35.**
- Rep. King Program Length Amendment to the Kanjorski Substitute – Extends the program until 2022. The Kanjorski Substitute would have extended the program to 2017. **Adopted 39–30: R 6–27; D 33–3.**
- Rep. Garrett Rising Deductibles Amendment to the Kanjorski Substitute – Resets the deductible to 5 percent, with 0.5 percent annual increases, if a terrorist attack results in an aggregate industry loss of more than \$1 billion. **Adopted 42–27: R 32–1; D 10–26.**
- Rep. Kanjorski Amendment in the Nature of a Substitute– As amended, the amendment will: Extend the program for 15 years. Set deductibles to 5 percent, with annual increases of 0.5 percent, if a terrorist attack results in an aggregate industry loss of more than \$1 billion. Trigger the program when \$50 million in damages has occurred because of a terrorist act. Exempt small insurers for two years from providing coverage for nuclear, biological, chemical and radiological terrorist attack insurance. The exemptions would be voluntary and apply to insurers whose direct earned premium is less than \$50 million. Index the program trigger and the cap by basing it annually on inflation. Allow the secretary of the Treasury to suspend recoupment of expenditures, based on market conditions, if those expenditures exceed the program's \$27.5 billion threshold. **Adopted, as Amended, by Voice Vote.**
- Vote to Report: Ordered Bill Reported Favorably to Full House, as Amended, by a **Recorded Vote of 49–20: R 14–19; D 35–1.**

**Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises Markup:**

[Terrorism Risk Insurance Revision and Extension Act of 2007](#), July 24, 2007  
[National Journal Report](#)

**Summary of Committee Votes:**

- Rep. Pryce Coverage Length Revisions Amendment to the Kanjorski Substitute – Would have extended insurance coverage for conventional terrorism for six years. It would also extend insurance coverage for nuclear, biological, chemical and radiological terrorism for 15 years. Under the Kanjorski Substitute, insurance coverage for conventional terrorist acts would be extended for 10 years, as would coverage for nuclear, biological, chemical and radiological terrorist acts. **Rejected by Voice Vote.**
- Rep. Ackerman Secretary of Homeland Security Consultation Amendment to the Kanjorski Substitute – Includes the secretary of Homeland Security in consultations in determining whether a terrorist act has occurred. Under the Kanjorski Substitute, only the secretary of State and attorney general would concur on whether a terrorist act has occurred. **Adopted by Voice Vote.**
- Rep. Manzullo Mandates for Small Insurers Amendment to the Kanjorski Substitute – Would have allow estates to exempt small insurers, with less than 1,500 employees, from the "make available" requirements necessary for participation in the program. Under the Kanjorski Substitute, no such exemption would exist. **Withdrawn.**
- Rep. Marchant Insurance Partnerships Amendment to the Kanjorski Substitute – Would have allowed an insurance company to partner with another to provide coverage for terrorist acts. It would have included a requirement that the second insurance company — providing coverage for nuclear, biological, chemical and radiological terrorist acts — have the same or better credit rating. Under the Kanjorski Substitute, no such partnership would be permitted. **Withdrawn.**
- Rep. Baker Threshold for Coverage Amendment to the Kanjorski Substitute – Imposes the same "trigger level," for coverage by the program, in every state. Under the Kanjorski Substitute, the trigger level would be the same for each state except for New York, where the threshold would be higher. **Adopted by Voice Vote.**
- Rep. Garrett End Program in 2009 Amendment to the Kanjorski Substitute – Would have sunset the bill in 2009. Under the Kanjorski Substitute, the terrorism risk insurance program would be up for renewal in 2017. **Rejected 14–29: R 14–6; D 0–23.**
- Rep. Bachmann Premium Paybacks Amendment to the Kanjorski Substitute – Would have required program fund recipients to pay back the government through higher premiums. Under the Kanjorski Substitute, no such provision exists. **Rejected 19–24: R 19–1; D 0–23.**
- Rep. Putnam End Program in 2012 Amendment to the Kanjorski Substitute – Would have terminated the program at the end of 2012, unless the Commission on Terrorism Risk Insurance recommends extension of the program, in which case it would be terminated at the end of 2014. Under the Kanjorski Substitute, the program would expire in 2017. **Rejected 18–25: R 18–2; D 0–23.**

- [Rep. Kanjorski Substitute Amendment](#) – Substitute amendment that triggers the program when \$50 million in damages has occurred because of a terrorist act. It would postpone implementation of coverage nuclear, biological, chemical and radiological terrorist acts until 2009. It also would require the Treasury secretary to submit biennial reports to Congress on the effectiveness of the program. Under the substitute amendment, a Commission on Terrorism Risk Insurance would be established to make recommendations concerning changes to the program. As amended, it would require input from the secretary of Homeland Security in determining whether a terrorist act has occurred. It would also equalize the threshold for states participating in the program in the event of a terrorist attack. **Adopted, as Amended, by Voice Vote.**
- [Vote to Report](#): Favorably Reported to the Full Committee, as Amended, by **Recorded Vote of 26–17: R 3–17; D 23–0.**

**CBO Report:**

[Cost Estimate](#): Ordered Reported by the Committee on Financial Services

**CRS Reports:**

[RS22671](#): The Terrorism Risk Insurance Program: Current Issues, Legislation, and Background

**GAO Reports:**

(TBA)

**Subcommittee on Capital Markets, Insurance, and Government Sponsored**

**Enterprises Hearings:**

[The Need to Extend the Terrorism Risk Insurance Act](#), March 5, 2007

[Policy Options for Extending the Terrorism Risk Insurance Act](#), April 24, 2007

[Examining a Legislative Solution to Extend and Revise the Terrorism Risk Insurance Act](#), June 21, 2007

**Organization Statements:**

(TBA)

**Administration Position:**

(TBA)

**Fact Sheets & Talking Points:**

[Summary of H.R. 2761](#), Financial Services Committee

**Press Releases, News Articles & Related Information:**

[Financial Services Committee Passes Terrorism Risk Insurance Revision and Extension Act](#), August 3, 2007

[Kanjorski: Terrorism Risk Insurance Revision and Extension Act Moves Forward to Full Committee](#), July 24, 2007

[Terrorism Risk Insurance Extension Introduced in the House](#), June, 18, 2007

**Other Resources:**

[Cosponsors of H.R. 2761](#)

**H.R. 811 – VOTER CONFIDENCE AND INCREASED ACCESSIBILITY ACT OF 2007** *(Rep. Holt – House Administration) (Subject to a Rule)*

**Bill Text:** [HTML Version](#), [PDF Version](#)

[Bill Summary and Status](#)

**Rules Committee Meeting:** [Special Announcement](#)

**Committee:** [Committee on House Administration](#)

**Committee Staff Contact:** 5-2061

**LEGISLATION AT A GLANCE:**

**Safeguards Elections and Restores Voter Confidence.** In order to restore voters' faith in the process, H.R. 811 will require that all voting systems use or produce a voter-verified paper ballot by November of 2008. This ballot will serve as the ballot of record for recounts and audits. H.R. 811 also requires states to provide paper ballots to voters beginning in 2008 if the voting machine in their jurisdiction is broken, and in 2010 and after, for any reason. H.R. 811 also institutes a system of mandatory random audits to ensure that the electronic tallies are routinely and automatically double-checked using the voter-verified paper ballots, to ensure the integrity of the voting systems.

**Bipartisan Compromise with Broad Support.** Rep. Holt, Members of the House Administration Committee and Democratic Leadership have responded to concerns from Republican and Democratic Members, state and local election officials, voting rights advocates, computer security experts, advocates from the disability rights community and others in constructing a final compromise. H.R. 811 has over 200 bipartisan cosponsors and a broad array of voting rights, civil rights and progressive organizations supporting passage.

**States Have Sufficient Time and Flexibility to Implement Requirements.** The compromise extends deadlines and allows local officials to have a greater degree of latitude and flexibility in the implementation. For instance, jurisdictions are free to use any available paper ballot mechanism to meet the November 2008 requirement for paper ballots, and numerous states have already demonstrated the ability to overhaul their systems on a statewide basis in less time than remains between now and then. In addition, in response to concerns raised by state and local officials and other stakeholders, the compromise extended to January 2012 the deadline to require paper ballots to be upgraded to be durable, scannable, and accessible to voters with disabilities.

**Invests in the Electoral System and Oversight of State Implementation.** H.R. 811 authorizes \$1 billion in funding for system replacement and upgrading in FY 2008, with additional funding for upgrades authorized in FY 2009, as well as \$100 million each fiscal year for audits. As stated in the Congressional Budget Office (CBO) score for H.R. 811 included in the Committee Report, and as was true with the underlying provisions of HAVA, the CBO stated that "[a]ll provisions of H.R. 811 would be excluded from the Unfunded Mandates Reform Act (UMRA)." Also, The CBO cost estimate requested by the minority also concludes that the bill's authorizations of appropriations would be sufficient to cover the costs to state and local governments for complying with requirements to produce and provide for voter-verified paper ballots, preprinted ballots, a secure chain of custody for ballots, and manual audits of election results.

**Ensures Transparency and Integrity in the Electoral Procedures.** H.R. 811 provides greater access to software by preventing undisclosed software and providing review of the software, in addition to requiring routine random audits of the electronic tallies using voter-verified paper ballots. It also prohibits connecting voting systems to the Internet and bars voting systems from containing, using or being accessible by wireless devices.

**House Report 110–154:**

[HTML Version](#), [PDF Version](#)

**Full Committee Mark-up:**

[Consideration of H.R. 811](#), Tuesday, May 8, 2007

[National Journal Report](#)

**Summary of Committee Votes:**

- [Rep. Ehlers GOP Substitute Amendment to Lofgren Substitute](#) – Would have directed the National Institute of Standards and Technology to develop guidelines and technological support for electronic voting equipment requirements that would take effect by the 2010 primary elections. **Rejected 3–6: R 3–0; D 0–6.**
- [Rep. Gonzalez Technical Amendment](#) – Makes technical changes to ensure consistency in referring to the Federal Election Commission. **Adopted by Voice Vote.**
- [Rep. Capuano Voting Method Choice](#) – Allows by 2010, voters to choose among multiple voting methods available at polling place. **Adopted by Voice Vote.**
- [Rep. Ehlers Manual Audit Ballot Amendment to Lofgren Substitute](#) – Would have allowed ballots other than voter-verified paper ballots to be preserved and scrutinized in manual election audits. **Rejected 3–6: R 3–0; D 0–6.**
- [Rep. Lungren Voting Machine Amendment to Lofgren Substitute](#) – Would have exempted direct-recording voting machines with an attached thermal reel-to-reel paper ballot from the voter-verifiable paper ballot requirement. **Rejected 3–5: R 3–0; D 0–5.**
- [Rep. McCarthy Early Voting Sites Exception Amendment to Lofgren Substitute](#) – Would have allowed states to continue using electronic voting machines not equipped with any voter verified paper ballots for early voting. **Rejected 3–5: R 3–0; D 0–5.**
- [Rep. Ehlers State Audit Methods Amendment to Lofgren Substitute](#) – Would have required states to submit audit plans to the Election Assistance Commission by the 2010 election cycle. **Rejected 3–5: R 3–0; D 0–5.**
- [Rep. Lungren Readability Amendment to Lofgren Substitute](#) – Would have allowed states to continue the use of paperless electronic voting machines to comply with the disability access provisions of HAVA. **Rejected 3–5: R 3–0; D 0–5.**
- [Rep. Lungren Eliminate Technology Disclosure Requirement Amendment to Lofgren Substitute](#) – Would have removed the software code disclosure language entirely from the legislation. **Rejected 3–6: R 3–0; D 0–6.**
- [Rep. McCarthy Photo Identification Requirement Amendment to Lofgren Substitute](#) – Would have forced voters to show government-issued photo identification at the polls by 2010. **Rejected 3–5: R 3–0; D 0–5.**



- [Rep. McCarthy Photo Identification or Identity Affirmation Amendment to Lofgren Substitute](#) – Would have required voters to show government-issued photo identification at the polls by 2010. If voters could not produce such identification, they must sign affidavits swearing to their identity. **Rejected 3–5: R 3–0; D 0–5.**
- [Rep. McCarthy Funding Requirement Amendment to Lofgren Substitute](#) – Would have suspended the requirements of the bill until the authorization amount is fully appropriated. **Rejected 3–5: R 3–0; D 0–5.**
- [Rep. Lungren Right to Sue Amendment to Lofgren Substitute](#) – Would have removed the private right of action section of the legislation. **Rejected 2–5: R 2–0; D 0–5.**
- [Rep. Lungren Deadline Extension Amendment to Lofgren Substitute](#) – Would have delayed would delay the implementation date until 2012. **Rejected 3–6: R 3–0; D 0–6.**
- [Rep. Lofgren Substitute Amendment](#) – The substitute addresses a number of concerns that were raised by the minority, interest groups and other stakeholders during the timeframe between introduction of the original bill and the mark-up. For example, the amendment addresses many of the concerns regarding implementation dates and funding of the legislation. All jurisdictions that used any paper-ballot-based voting system in 2006, including thermal reel-to-reel systems and accessible systems that used a paper ballot in any manner have until the first election in 2010 to meet new requirements. Additionally, funding for the voting system requirements has been increased from \$300 million to \$1 billion. Furthermore, entities chosen by the State to conduct the audits must satisfy the requirements of 'independence' set forth in the GAO's 'Government Accounting Standards.' The Substitute makes various other changes as well. **Adopted, as Amended, 6–3: R 0–3; D 6–0.**
- **Vote to Report:** Favorably Reported to the Full House by a Recorded Vote **6–3: R 0–3; D 6–0**

**Subcommittee on Elections Hearings:**

[Election Reform Hearing: Machines & Software](#), March 15, 2007

[Election Reform Hearing: Auditing](#), March 20, 2007

**CRS Reports:**

[RS20898](#): Elections Reform: Overview and Issues

**CBO Report:**

[Cost Estimate](#): Ordered Reported by the Committee on House Administration, May 15, 2007

[Cost Estimate](#): Letter to the Honorable Vernon J. Ehlers, September 7, 2007

**GAO Reports:**

(TBA)

**Organization Statements:**

[People For the American Way](#)

[VerifiedVoting.org](#)

[Common Cause](#)

[MoveOn.Org](#)

Brennan Center for Justice

[VoteTrustUSA](#)

[Electronic Frontier Foundation](#)

The Lawyers Committee for Civil Rights

National Campaign for Fair Elections

Friends Committee on National Legislation

**Administration Position:**

(TBA)

**Fact Sheets & Talking Points:**

[Congressman Holt's H.R. 811 Resource Webpage](#)

[Federal Election Reform H.R. 811 Site](#), Brennan Center for Justice

[Resource Webpage on H.R. 811](#), People for the American Way

**Press Releases, News Articles & Related Information:**

[The Urgency of E-Voting Reform](#), The Hill, August 2, 2007

[Time Running Out for Voting Reform](#), Editorial, New York Times, July 31, 2007

[Agreement Reached to Move Holt Election Reform Bill](#), PFAW, July 27, 2007

[Holt Legislation Would Require Voter-Verified Paper Ballots, Routine Random Audits](#),

Office of Rep, Holt, May 23, 2007

[Committee on House Administration Sends Voter Confidence Bill to House Floor](#), House

Administration, May 9, 2007

**Other Resources:**

[Cosponsors of H.R. 811](#)

**H.R. 2881 – FAA REAUTHORIZATION ACT OF 2007** (Rep. Oberstar – Transportation and Infrastructure) (Subject to a Rule)

**Bill Text:** [HTML Version](#), [PDF Version](#)  
[Bill Summary and Status](#)

**Rules Committee Meeting:** Wednesday, September 19, 2007 in H-313 the Capitol,

**Committee:** [Committee on Transportation and Infrastructure](#)

**Committee Staff Contact:** 5-4472

**LEGISLATION AT A GLANCE:**

**FUNDING LEVELS**

H.R. 2881, the “FAA Reauthorization Act of 2007”, provides historic funding levels for the Federal Aviation Administration’s (“FAA”) capital programs between FY 2008 and FY 2011:

- \$15.8 billion for the Airport Improvement Program (AIP) – over \$4 billion more than the Administration’s proposal;
- \$13 billion for FAA Facilities & Equipment (F&E) – over \$1 billion more than the Administration’s proposal;
- \$37.2 billion for FAA Operations.

**AIR TRAFFIC CONTROL MODERNIZATION AND NEXTGEN**

- Funding: \$13 billion for FAA F&E to accelerate the implementation of Next Generation Air Transportation System (“NextGen”); enable FAA to make needed repairs and replacement of existing facilities and equipment; provide for the implementation of high-priority safety-related systems.
- Authority: Elevates the Director of the Joint Planning and Development Office (“JPDO”) to the status of Associate Administrator of NextGen within the FAA, reporting directly to the FAA Administrator.
- Accountability: Annual reporting requirements on NextGen-related deliverables; and provisions to ensure FAA vendor accountability for providing safe, quality services for automatic dependant surveillance broadcast (ADS-B) and flight service stations.
- Oversight: Authorizes Government Accountability Office, Department of Transportation Inspector General, and National Research Council audits and reports related to NextGen that will assist Congress in exercising its oversight responsibilities.

**FINANCING**

- Recommendation to the House Ways & Means Committee: Modest increase in the general aviation jet fuel tax rate for inflation from 21.8 cents per gallon to 30.7 cents per gallon; and increases the aviation gasoline tax rate from 19.3 cents per gallon to 24.1 cents per gallon to provide for the robust capital funding required to modernize the Air Traffic Control system, as well as to stabilize and strengthen the Airport and Airway Trust Fund.

## AIRPORTS

- Passenger Facility Charge: Increases PFC cap to \$7.00 from \$4.50 to combat inflation and to help airports meet increased capital needs. Provides significant increases in AIP funding for smaller airports that are particularly reliant on AIP for capital financing.

## SAFETY

- Inspector Staffing: Increases the number of aviation safety inspectors.
- Foreign Repair Stations: Requires FAA to certify that all part 145 certificated foreign repair stations are inspected twice a year.
- Runway Safety: Provides \$42 million over four years for runway incursion reduction programs; and \$74 million over four years for runway status light acquisition and installation.
- Flight Crew Fatigue: Requires the FAA to contract with the National Academy of Sciences to conduct a study on pilot fatigue, and then to consider the findings of the Academy and update, where appropriate, its regulations with regard to flight time limitations and rest requirements for pilots.
- OSHA: Directs the FAA to initiate long-overdue action to ensure crewmember safety by applying occupational health standards on board aircraft.

## ENVIRONMENT

- Phases Out Noisy Stage II Aircraft: Requires, within 5 years, all civil subsonic jet aircraft under 75,000 pounds to meet stage 3 noise levels within the 48 contiguous states, with limited exceptions for certain temporary operations.
- CLEEN Engine and Airframe Technology Partnership: Directs the FAA to enter into a 10-year cooperative agreement with an institution, entity, or eligible consortium to carry out a program for the development, maturing and certification of continuous lower energy, emissions and noise engine and airframe technology.
- Environmental Mitigation Pilot Program: Authorizes the FAA to fund six projects at public-use airports to take promising environmental research concepts into the actual airport environment to demonstrate measurable reductions or mitigation of aviation impacts on noise, air quality or water quality in the airport environment.
- Aircraft Departure Queue Management Pilot Program: Authorizes the FAA to establish a pilot program at five public-use airports to design, develop, and test new air traffic flow management technologies to better manage the flow of aircraft on the ground and reduce ground holds and idling times for aircraft to decrease emissions and increase fuel savings.
- A New "Green" Air Traffic Control Facilities Program: Calls for the FAA, to the maximum extent possible, to implement environmentally **beneficial** practices for new construction and major renovation of air traffic control facilities.

## SMALL COMMUNITIES

- Funding: Increases total authorized funding for Essential Air Service each year from \$127 million to \$133 million (including \$50 million derived from over flight fees), and authorizes \$35 million annually for the Small Community Air Services Development program.
- Air Service Quality: Authorizes the Secretary to incorporate financial incentives into EAS contracts based on specified performance goals and to encourage increased air carrier participation in the EAS program, and to enter into long-term EAS contracts that would provide more stability for participating air carriers.

## OTHER

- Age 60: Allows pilots to fly until age 65 under certain conditions.
- Consumer Protection: Requires airlines and airports to have emergency contingency plans in place to take care of passengers that are involved in long flight and tarmac delays. These plans must account for the provision of food, water, clean restrooms and medical care for passengers. The plans would need to be updated by the airlines every three years and every five years by airports.

### House Report:

HTML Version, PDF Version

### Full Committee Mark-up:

[Full Committee – Markup](#), June 28, 2007

[National Journal Report](#)

### Summary of Committee Votes:

- [Rep. Costello Labor Disputes Amendment](#) – Instructs the Federal Aviation Administration administrator and the employees' bargaining representative to use the services of the Federal Mediation and Conciliation Service in the event of a labor dispute. In the event of an impasse, the amendment would then stipulate that the disputing parties would enter into binding arbitration with an independent panel. The amendment requires the independent arbitration panel to render its decision within 90 days of its appointment. It would also make some FAA employees available for back pay under the last mutual agreement between the FAA administrator and the employees' bargaining representative. **Adopted 53–16: R 15–16; D 38–0.**
- [Chairman Oberstar Express Carrier Employee Definition Amendment](#) – Redefines what types of express carrier workers are covered by the National Labor Relations Act. It defines express carriers as "any person (or persons affiliated through common control or ownership) whose primary business is the express shipment of freight or packages through an integrated network of air and surface transportation." **Adopted 51–18: R 14–17; D 37–1.**
- Vote to Report: Reported favorably to the full House, as Amended, by **Voice Vote**.

**CRS Reports:**

[RL33913](#): Aviation Finance: Federal Aviation Administration (FAA) Reauthorization and Related Issues

[RL33949](#): Environmental Impacts of Airport Operations, Maintenance, and Expansion

[RL33920](#): Federal Aviation Administration Reauthorization: An Overview of Selected Provisions in Proposed Legislation

**CBO Report:**

[Cost Estimate](#): Ordered Reported by the Committee on Transportation and Infrastructure

**GAO Reports:**

(TBA)

**Organization Statements:**

(TBA)

**Administration Position:**

(TBA)

**Fact Sheets & Talking Points:**

[H.R. 2881 Highlights](#)

[H.R. 2881 FAA Reauthorization](#)

[Investing in Infrastructure and Combating Delays](#)

**Press Releases, News Articles & Related Information:**

(TBA)

**Other Resources:**

[Cosponsors of H.R. 2881](#)